

REFERENCE TITLE: **unemployment benefits; disqualification**

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HB 2367

Introduced by
Representatives Sinema, Prezelski, Gallardo, Lopez L, Miranda B

AN ACT

AMENDING SECTION 23-777, ARIZONA REVISED STATUTES; RELATING TO EMPLOYMENT SECURITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 23-777, Arizona Revised Statutes, is amended to
3 read:

4 23-777. Disqualification from benefits for unemployment
5 resulting from labor dispute: exceptions: effect on
6 contribution rate: definition

7 A. An individual shall be disqualified for benefits for any week with
8 respect to which the commission finds that his total or partial unemployment
9 is due to a labor dispute, ~~— OR~~ strike ~~or lockout~~ which exists at the factory,
10 establishment or other premises at which he is or was last employed. This
11 provision shall not apply if it is shown to the satisfaction of the
12 commission that the individual is not participating in, financing or directly
13 interested in the labor dispute, ~~— OR~~ strike ~~or lockout~~ or that he does not
14 belong to a grade or class of workers of which, immediately before the
15 commencement of the labor dispute, ~~— OR~~ strike ~~or lockout~~, there were members
16 employed at the premises at which the labor dispute, ~~— OR~~ strike ~~or lockout~~ occurs, any of whom are participating in or financing or directly interested
17 in the dispute, ~~— OR~~ strike ~~or lockout~~. In the case of separate branches of
18 work commonly conducted as separate businesses in separate premises, each
19 department shall, for the purposes of this section, be deemed to be a
20 separate factory, establishment or other premises.

21 B. If the commission, upon investigation, finds that the dispute, ~~— OR~~
22 strike ~~or lockout~~ is caused by the failure or refusal of an employer to
23 conform to the provisions of an agreement or contract between employer and
24 employee, or a law of this state or of the United States pertaining to hours,
25 wages or other conditions of work, such dispute, ~~— OR~~ strike ~~or lockout~~ shall
26 not render the workers ineligible for benefits.

27 C. Benefits paid to an individual as a result of total or partial
28 unemployment due to a labor dispute, ~~— OR~~ strike ~~or lockout~~ shall not be used
29 as a factor in determining the contribution rate of employers of such
30 individual prior to the commencement of the labor dispute, ~~— OR~~ strike ~~or~~
31 ~~lockout~~. Where an individual's unemployment subsequent to the termination of
32 a labor dispute, ~~— OR~~ strike ~~or lockout~~ is a result of the labor dispute, ~~— OR~~
33 strike ~~or lockout~~, including replacement of former employees by the employer
34 as a legitimate tactic of or response to the labor dispute, ~~— OR~~ strike ~~or~~
35 ~~lockout~~, benefits paid to the individual shall not be charged to the account
36 or used as a factor in determining the contribution rate of any base-period
37 employer.

38 D. "Labor dispute" as used in this section has its ordinary
39 meaning. The existence of a labor dispute does not depend on the existence
40 of a strike, ~~lockout~~ or any other stoppage of work, nor does there have to be
41 any actual unemployment or imminent threat of unemployment or any particular
42 number of individuals involved, before a labor dispute exists.